



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

April 9, 2021

The Honorable Patrick Leahy
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairman Leahy:

I am writing to provide you with the President's request for fiscal year (FY) 2022 discretionary funding.

The Administration looks forward to presenting its Budget to you and the American people in the months ahead. As is typical in a transition year, however, the Budget will not be available in time for the start of the Congress's annual appropriations and budget process. Given the importance of that process proceeding on schedule, we are providing the Administration's proposal for topline FY 2022 discretionary funding at this time. While the discretionary request outlined in the attached enclosures reflects only one piece of the President's broader agenda, it includes a range of proposals that lay a foundation to reinvest in the Nation's strength.

This year's appropriations process arrives during one of the most difficult periods in the Nation's history. America is confronting four compounding crises of unprecedented scope and scale all at the same time: a once-in-a-century pandemic that has claimed more than half a million American lives and counting; a punishing economic crisis that has left nearly 10 million out of work and millions more struggling, has eroded years of progress women have made in the labor force, and has widened the divide between those at the very top and the rest of America; a national reckoning on racial inequity centuries in the making; and the growing threat of climate change to America's people and the economy.

Yet this moment of crisis is also a moment of possibility. Together, America has a chance not simply to go back to the way things were before the COVID-19 pandemic and economic downturn struck, but to begin building a better, stronger, more secure, more inclusive America.

The Congress began that important work last month by passing the President's American Rescue Plan Act of 2021—a historic, groundbreaking package that will help change the course of the pandemic, deliver desperately needed relief to millions of workers, families, and small businesses, and build a bridge to a robust, equitable economic recovery.

Passing the American Rescue Plan Act of 2021 was essential, but we know that more work remains. That is why last week, the President also outlined a comprehensive strategy to reimagine and rebuild a new American economy—a plan that would create

millions of good jobs, rebuild the Nation's infrastructure, and position the United States to out-compete China and meet the great challenges of our time.

The upcoming appropriations process is another important opportunity to continue laying a stronger foundation for the future and reversing a legacy of chronic disinvestment in crucial priorities.

Over the past decade, due in large measure to overly restrictive budget caps, the Nation significantly underinvested in core public services, benefits, and protections. Since FY 2010, non-defense discretionary funding—the area of the Federal budget that funds education, research, public health, and other crucial services—has shrunk significantly as a share of the economy.

The consequences of this broad disinvestment are plain to see. We know that anticipating, preparing for, and fighting a global pandemic requires a robust public health infrastructure. Yet, going into the COVID-19 pandemic, funding for the Centers for Disease Control and Prevention was 10 percent lower than a decade ago, adjusted for inflation. Creating an economy that works for everyone requires investments in working families who drive growth and prosperity. Yet, the Government has chronically underinvested in crucial programs like Head Start, which serves 95,000 fewer children today than it did a decade ago. Responding to the climate crisis depends on helping communities transition to a cleaner future. But instead of investing in climate science and technology at the Environmental Protection Agency, we've cut funding by 27 percent since FY 2010, adjusted for inflation.

The President believes now is the time to begin reversing this trend—and the expiration of nearly a decade of budget caps presents a unique opportunity to do so. As the Congress embarks on this year's appropriations process, the Administration is outlining its discretionary funding request for FY 2022—a package of proposals to help build on efforts to combat the COVID-19 pandemic and improve the public health infrastructure; create an economy that works for everyone; mount a historic, whole-of-Government-approach to combating climate change; advance equity across the Nation and economy; and restore America's standing around the world.

For example, the discretionary request proposes the creation of an Advanced Research Projects Agency for Health within the National Institutes of Health. With an initial focus on cancer and other diseases such as diabetes and Alzheimer's, this major investment in Federal research and development would drive transformational innovation in health research and speed application and implementation of health breakthroughs. The discretionary request also makes a historic investment in the Title I grant program, which would help school districts deliver a high-quality education to students from low-income families. The discretionary request includes major investments to combat climate change, including in energy efficiency, resilience, environmental justice, and research and development. And the request reinvests in civil rights protection at the Department of Justice and across the Federal Government. These are just a handful of the significant new public investments that would result in a healthier, safer, more prosperous, and more just future for all Americans.

Overall, the discretionary request would restore non-defense discretionary funding to 3.3 percent of GDP, roughly equal to the historical average over the last 30 years, while providing robust funding for national defense, as well as for other instruments of national power—including diplomacy, development, and economic statecraft—that enhance the effectiveness of national defense spending and promote national security. The discretionary request proposes \$769 billion in non-defense discretionary funding in FY 2022, a 16 percent increase over the FY 2021 enacted level, and \$753 billion for national defense programs, a 1.7 percent increase.

Attached to this letter, you will find an overview of the President’s request for FY 2022 discretionary funding, further details on priorities within individual agencies, and tables summarizing funding levels. We look forward to submitting the President’s Budget with additional detail in the months ahead.

Sincerely,

A handwritten signature in black ink that reads "Shalanda D. Young". The signature is fluid and cursive, with a large initial "S" and "Y".

Shalanda D. Young
Acting Director

Enclosures

Identical Letters Sent to:

The Honorable Richard Shelby
The Honorable Rosa L. DeLauro
The Honorable Kay Granger
The Honorable Bernie Sanders
The Honorable Lindsey Graham
The Honorable John Yarmuth
The Honorable Jason Smith

Summary of the President’s Discretionary Funding Request¹

The 2022 appropriations process comes at a critical juncture. America faces four interlocking crises that are testing the Nation: a historic global pandemic; an economy battered by recession; the generational crisis of climate change; and persistent inequities in the economy and Nation. With the American Rescue Plan Act of 2021, the Congress has already taken an important step toward meeting the enormity of these challenges. The annual congressional appropriations process presents us with another opportunity to make lasting progress.

What follows is a summary of the President’s discretionary funding request for 2022. It highlights key discretionary investments that would help address the many challenges and opportunities before us. But the investments described below are far from the only steps the Nation must take to tackle those challenges and seize those opportunities. The request includes discretionary funding proposals only, while the President’s forthcoming Budget will include major, complementary mandatory investments and tax reforms as part of a comprehensive, fiscally responsible plan to meet the Nation’s challenges.

INVESTING IN PUBLIC HEALTH

The United States faces no more urgent task than defeating the COVID-19 pandemic. That is why the American Rescue Plan Act of 2021 included vital funding to set up community vaccination sites nationwide, scale up testing and tracing, reduce supply shortage problems, expand community health centers, address health disparities, and safely reopen schools. The discretionary request builds on this foundation by proposing investments to build a healthier, more resilient Nation over the long term, including funding to ensure the Nation is better positioned to prevent and respond to future public health crises, help defeat other diseases and epidemics, and invest in cutting-edge medical research.

Strengthening Public Health Infrastructure and Meeting Crisis-Related Needs

Improves Readiness for Future Public Health Crises. The discretionary request includes \$8.7 billion for the Centers for Disease Control and Prevention (CDC)—the largest budget authority increase in nearly two decades—to restore capacity at the world’s preeminent public health agency. Building on the investments in the American Rescue Plan Act of 2021, CDC would use this additional funding to support core public health capacity improvements in States and Territories, modernize public health data collection nationwide, train new epidemiologists and other public health experts, and build international capacity to detect, prepare for, and respond to emerging global threats.

Expands Access to Mental Healthcare. The COVID-19 pandemic has increased the prevalence of mental health disorders and further strained the Nation’s mental healthcare system. The discretionary request builds on mental health resources included in the American Rescue

¹ All years are fiscal years unless defined otherwise.

Plan Act of 2021 by calling for historic investments, including \$1.6 billion, more than double the 2021 enacted level, for the Community Mental Health Services Block Grant, and additional funding to support the needs of those who are involved in the criminal justice system, resources to partner mental health providers with law enforcement, and funds to expand suicide prevention activities.

Invests in Efforts to End Gender-Based Violence. The COVID-19 pandemic has exacerbated domestic violence and sexual assault, creating a “shadow pandemic” for many women and girls who are largely confined to their home with their abuser. To help address this growing crisis, the discretionary request provides \$1 billion for Department of Justice (DOJ) Violence Against Women Act of 1994 programs, nearly double the 2021 level, including funding for new programs to expand restorative justice efforts, protect transgender survivors, and support women at Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs), and Tribal Colleges and Universities (TCUs) to ensure these institutions have the same resources as other schools to address this pervasive issue. The discretionary request also provides funding at the Department of Health and Human Services (HHS) for domestic violence hotlines and for cash assistance, medical support and services, and emergency shelters for survivors.

Defeating Other Diseases and Epidemics

Launches Advanced Research Projects Agency for Health (ARPA-H). The discretionary request includes a major investment of \$6.5 billion to launch ARPA-H, which would provide significant increases in direct Federal research and development spending in health. With an initial focus on cancer and other diseases such as diabetes and Alzheimer’s, this major investment in Federal research and development would drive transformational innovation in health research and speed application and implementation of health breakthroughs. This funding is part of a \$51 billion request for the National Institutes of Health (NIH) to continue to support research that enhances health, lengthens life, and reduces illness and disability.

Makes a Major Investment to Help End the Opioid Epidemic. The opioid epidemic has shattered families, claimed lives, and ravaged communities across the Nation—and the COVID-19 pandemic has only deepened this crisis. That is why the discretionary request includes a historic investment of \$10.7 billion, an increase of \$3.9 billion over the 2021 enacted level, to support research, prevention, treatment, and recovery support services, with targeted investments to support populations with unique needs, including Native Americans, older Americans, and rural populations.

Combats the Gun Violence Public Health Epidemic. The discretionary request includes \$2.1 billion, an increase of \$232 million above the 2021 enacted level, for DOJ to address the gun violence public health crisis plaguing communities across the Nation. Investments include \$401 million in State and local grants, an increase of \$162 million or 68 percent. This level supports existing programs to improve background check systems, and invests in new programs to incentivize State adoption of gun licensing laws and establish voluntary gun buyback pilot programs. In addition, a total of \$1.6 billion is provided to the Bureau of Alcohol, Tobacco, Firearms, and Explosives, an increase of \$70 million or five percent over 2021 enacted, to

oversee the safe sale, storage, and ownership of firearms and to support the agency’s other work to fight violent crime. The discretionary request for the HHS doubles funding for firearm violence prevention research at CDC and NIH. Combined, the requests for DOJ and HHS include \$200 million to support a new Community Violence Intervention initiative to implement evidence-based community violence interventions locally, which may include hospital-based interventions.

Commits to Ending the HIV/AIDS Epidemic. To help accelerate and strengthen efforts to end the HIV/AIDS epidemic in the United States, the discretionary request includes \$670 million within HHS to help aggressively reduce new HIV cases while increasing access to treatment, expanding the use of pre-exposure prophylaxis (also known as PrEP), and ensuring equitable access to services and supports.

CREATING AN ECONOMY THAT WORKS FOR ALL

The American Rescue Plan Act of 2021 provided urgently needed resources to help build a bridge toward economic recovery, including: \$1,400 per-person payments for households across America; extended unemployment insurance; housing and nutrition assistance; increased access to safe and reliable childcare and affordable healthcare; and support for hard-hit small businesses. Those resources are essential—but more work remains. The discretionary request includes proposals that would contribute to a stronger, more inclusive economy over the long term by investing in children and young people, advancing economic security, opportunity, and fairness for all Americans, addressing longstanding racial, sex-based, and economic inequality, and creating good-paying jobs and protecting workers’ ability to join a union to help rebuild a thriving middle class.

Investing in Young People and America’s Future

Makes Historic Investments in High-Poverty Schools. Addressing entrenched disparities in education is both a moral and economic imperative. That is why the discretionary request proposes a historic \$36.5 billion investment in Title I grants, a \$20 billion increase from the 2021 enacted level. This investment would provide historically under-resourced schools with the funding needed to deliver a high-quality education to all of their students.

Expands Access to Affordable Early Child Care and Learning. The discretionary request includes \$7.4 billion for the Child Care and Development Block Grant, an increase of \$1.5 billion over the 2021 enacted level, to expand access to quality, affordable child care for families in all corners of the Nation, as well as an \$11.9 billion investment in Head Start, a \$1.2 billion increase, which would ensure more children start kindergarten ready to learn on day one. The Administration would also work with States to ensure that these resources support increased wages for early educators and family child care providers.

Boosts Support for Children with Disabilities. To ensure that children with disabilities have the opportunity to thrive, the discretionary request includes \$15.5 billion, a \$2.6 billion increase, for Individuals with Disabilities Education Act (IDEA) grants that would support

special education and related services for more than 7.5 million Pre-K through 12 students. This is a significant first step toward fully funding IDEA. The discretionary request also provides \$732 million for early intervention services for infants and toddlers with disabilities or delays, funding services that have a proven record of improving academic and developmental outcomes. The \$250 million increase would support reforms to expand access to these services for underserved children, including children of color and children from low-income families.

Prioritizes the Physical and Mental Well-Being of Students. COVID-19 pandemic disruptions and school closings continue to take a toll on the physical and mental health of students, teachers, and school staff. Recognizing the profound effect of physical and mental health on academic achievement, the discretionary request provides \$1 billion, in addition to the resources in the American Rescue Plan Act of 2021, to increase the number of counselors, nurses, and mental health professionals in schools. In addition, it provides \$430 million for Full Service Community Schools, which play a critical role in providing comprehensive wrap-around services to students and their families, from afterschool, to adult education opportunities, and health and nutrition services.

Increases Pell Grants. The discretionary request provides funding to increase the maximum Pell Grant by \$400—the largest one-time increase since 2009—as a first step in a more comprehensive proposal to deliver on the President’s goal to double the grant. The discretionary request would also make Pell Grants available to “DREAMers,” students who are Deferred Action for Childhood Arrivals (DACA) recipients.

Advancing Economic Dignity, Security, and Fairness

Extends Housing Vouchers to 200,000 More Families. At a time when millions of families are struggling to pay their rent or mortgage, the discretionary request proposes to provide \$30.4 billion for Housing Choice Vouchers, expanding vital housing assistance to 200,000 more families, with a focus on those who are homeless or fleeing domestic violence.

Accelerates Efforts to End Homelessness. The discretionary request builds on important provisions included in the American Rescue Plan Act of 2021 by providing a \$500 million increase for Homeless Assistance Grants to support more than 100,000 households—including survivors of domestic violence and homeless youth, helping prevent and reduce homelessness.

Ensures Workers’ Health, Safety, and Rights are Protected. The discretionary request provides increased funding to the worker protection agencies in the Department of Labor to ensure workers are treated with dignity and respect in the workplace.

Strengthens the Unemployment Insurance System. The COVID-19 pandemic triggered an economic crisis that has left millions of Americans relying on unemployment insurance and exposed major flaws and gaps in how the system is administered. To correct for these weaknesses and address chronic delays, the discretionary request includes significant support to improve States’ administration of the program, which builds on investments included in the American Rescue Plan Act of 2021.

Ensures the Wealthy and Corporations Pay What They Owe. The discretionary request provides increased funding for the Internal Revenue Service to increase oversight of high-income and corporate tax returns, ensuring that the wealthy and well-connected pay what they owe and play by the same rules as everybody else.

Creating Jobs and Growth—Now and for the Future

Supports a Future Made in America. The President is committed to ensuring the future is Made in America by all of America's workers. To that end, the discretionary request more than doubles funding for manufacturing programs at the National Institute of Standards and Technology (NIST), enabling the establishment of two new Manufacturing Innovation Institutes, in addition to institutes previously launched by the Departments of Defense and Energy. The discretionary request also nearly doubles funding for the Manufacturing Extension Partnership to boost the competitiveness of small and medium manufacturers.

Renews America's Commitment to Research and Development. The discretionary request proposes historic increases in funding for foundational research and development across a range of scientific agencies—including the National Science Foundation, the National Aeronautics and Space Administration (NASA), the Department of Energy (DOE), NIST, and others—to help spur innovation across the economy and renew America's global leadership. These investments would: accelerate discoveries that would transform America's understanding of the solar system and universe; launch the next generation of satellites to study and improve life on Earth; and support upgrades to cutting-edge scientific user facilities at the DOE National Laboratories to build climate and clean energy research programs and train the next generation of scientists at HBCU and MSI.

Invests in a 21st Century Infrastructure. The discretionary request makes investments that set the stage for an ambitious, comprehensive reform and investment strategy to: build back better America's highway, transit, and rail systems nationwide; make historic investment in safety, equity, and climate change mitigation; and foster neighborhood-oriented investments that transform America's infrastructure, reconnect communities, and provide opportunities to all Americans. The discretionary request would make passenger rail a viable and competitive low-carbon transportation option for intercity travel, as well as expand high quality transit to help communities better link workers to jobs, reduce highway congestion, and shorten commute times. Funding would also be provided to accelerate the transition to clean energy alternatives for the Nation's public transit bus fleet, and ensure continued safe management of the national airspace system, including integrating new technology.

Invests in High-Quality Workforce Training Programs. The discretionary request proposes significant new investments to build a strong workforce and increase opportunities for men and women who too often have been left behind. For example, the discretionary request significantly expands funding to support Registered Apprenticeship, a proven learn-and-earn model, while also investing in other key workforce programs to ensure that businesses have the skilled and diverse workforce they need and workers have multiple pathways to the middle class.

TACKLING THE CLIMATE CRISIS

Climate change is one of the greatest challenges of our time. Yet it is also an opportunity to create new industries and good paying jobs that provide the chance to join a union, revitalize America's energy communities and the economy, and position America as the world's clean energy superpower. The discretionary request includes major new climate change investments—an increase of more than \$14 billion compared to 2021—across nearly every agency to invest in resilience and clean energy, enhance U.S. competitiveness, and put America on a path to achieve net-zero emissions no later than 2050—all while supporting communities that have been left behind and ensuring that 40 percent of the benefits from tackling the climate crisis are targeted toward addressing the disproportionately high cumulative impacts on disadvantaged communities.

Building Clean Energy Projects and Investing in Resilience

Improves Energy Efficiency, Safety, and Resilience of Low-Income Homes and Public Buildings. The discretionary request invests \$1.7 billion in energy saving retrofits to homes, schools, and Federal buildings. This investment includes \$800 million in new investments across Department of Housing and Urban Development (HUD) programs for rehabilitation and modernization to further climate resilience and energy efficiency, which would lower the costs and improve the quality of public and HUD-assisted housing, and \$400 million at DOE for the weatherization of low-income homes.

Increases Demand for American Made, Zero-Emission Vehicles through Federal Procurement. To provide an immediate, clear, and stable source of demand to help accelerate American industrial capacity to produce clean vehicles and components, the discretionary request includes \$600 million for electric vehicles and charging infrastructure in the individual budgets of 18 Federal agencies, including dedicated funds at the General Services Administration for other agencies and for United States Postal Service charging infrastructure.

Creates Good-Paying Jobs Building Clean Energy Projects. Transforming the U.S. electricity sector—and electrifying an increasing share of the economy—represents one of the biggest job creation and economic opportunity engines of the 21st Century. That is why the discretionary request provides \$2 billion to put welders, electricians, and other skilled labor to work building clean energy projects across the Nation. This investment supports a historic energy efficiency and clean electricity standard that would transform the electric sector to be carbon-pollution free by 2035 and create good-paying union jobs.

Invests in Climate Resilience and Disaster Planning. The discretionary request provides \$815 million—a \$540 million increase above the 2021 enacted level—to incorporate climate impacts into pre-disaster planning and projects to ensure that the Nation is rebuilding smarter and safer for the future. The discretionary request also provides more than \$1.2 billion above the 2021 enacted level to increase the resilience of ecosystems and communities across the Nation to wildfires, flooding, and drought, including an additional \$100 million for the CDC's Climate and Health program.

Helping Communities Left Behind

Makes the Largest Investment in Environmental Justice in History. To support marginalized and overburdened communities across the Nation, the discretionary request invests more than \$1.4 billion, including \$936 million toward a new Accelerating Environmental and Economic Justice initiative at the Environmental Protection Agency (EPA). The initiative would create good-paying union jobs, clean up pollution, and secure environmental justice for communities that have been left behind. In order to hold polluters accountable, the initiative includes \$100 million to develop a new community air quality monitoring and notification program, which would provide real-time data in the places with the highest levels of exposure to pollution.

Propels an Effort to Create 250,000 Jobs Remediating Abandoned Wells and Mines. The discretionary request includes over \$550 million to remediate thousands of oil and gas wells and reclaim abandoned mines. This more than triples the current annual discretionary funding, building on the President's commitment to create 250,000 good-paying union jobs for skilled technicians and operators in some of the hardest hit communities in the Nation, while cleaning up hazardous sites. In line with the Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization, the discretionary request more than doubles funding for the Economic Development Administration's (EDA) Assistance to Coal Communities program. EDA's efforts are part of the POWER+ Initiative and complement other targeted investments across the Federal Government to assist workers who have been affected by job losses in coal mining, plant operations, and coal-related supply chain industries due to the changing economics of America's energy sector.

Creates Jobs Improving Critical Water Infrastructure. Ensuring clean, safe drinking water is a right in all communities—rural and urban, rich and poor. That is why the discretionary request includes significant funding—\$3.6 billion—that could be used to advance water infrastructure improvement efforts for community water systems, schools, and households, such as repairing up to 180,000 septic systems as well as broader efforts to improve drinking water and waste water infrastructure, while creating good-paying construction jobs across the Nation and in tribal communities.

Partners with Rural America to Grow Rural Economies and Tackle Rural Poverty. The discretionary request includes a number of proposals to invest in the assets of rural communities and create opportunity for rural Americans in rural America. This includes more than \$300 million in new investments in the next generation of agriculture and conservation, including support for private lands conservation, renewable energy grants and loans, and the creation of a Civilian Climate Corps to create a new pathway to good-paying jobs in rural America. The discretionary request also supports \$6.5 billion in lending to support additional clean energy, energy storage, and transmission projects in rural communities, including communities of color.

Increasing Competitiveness through Investments in Innovation and Science

Advances Climate Science and Sustainability Research. The discretionary request proposes over \$4 billion to fund a broad portfolio of research across multiple agencies including the Department of the Interior, NASA, the National Science Foundation and others to improve understanding of the changing climate and inform adaptation and resilience measures.

Spurs Innovation in Clean Energy Technologies. The discretionary request invests more than \$10 billion—a more than 35-percent increase over 2021—in clean energy innovation across non-defense agencies. These investments would help transform the Nation’s electric, transportation, buildings, and industrial sectors to achieve net-zero carbon economy by 2050.

Drives Breakthrough Solutions in Climate Innovation. The discretionary request includes a total of \$1 billion to create a new Advanced Research Projects Agency for Climate and invest in the existing Advanced Research Projects Agency-Energy. Together, these initiatives would support high-risk, high-reward solutions for adaptation and resilience against the climate crisis and enable robust investments in clean energy technology research and development.

Expands Observations, Research, and Climate Services. The discretionary request includes \$6.9 billion for the National Oceanic and Atmospheric Administration (NOAA), an increase of more than \$1.4 billion from the 2021 enacted level. These additional funds would allow NOAA to expand its climate observation and forecasting work and provide better data and information to decisionmakers, support coastal resilience programs that would help protect communities from the economic and environmental impacts of climate change, and invest in modern infrastructure to enable these critical efforts.

Leading the World toward Achieving the Objectives of the Paris Agreement

Supports Global Emissions Reductions. To accelerate progress toward the Paris Climate Agreement targets, the discretionary request includes a \$1.2 billion contribution to the Green Climate Fund—the first American contribution since 2017—to help developing countries reduce emissions and adapt to climate change. The discretionary request also proposes \$485 million to support other multilateral climate initiatives, including \$100 million for international climate adaptation programs. The discretionary request provides \$691 million for the Department of State and U.S. Agency for International Development to assist developing countries in adapting to climate disruptions, expanding clean energy production, and reducing landscape emissions.

ADVANCING EQUITY

America is built on a simple ideal: that every American should have an equal chance to pursue their potential. Yet, for far too many Americans, that foundational promise has never been within reach. The moment has come for the Nation to deal with systemic racism and to ensure the promise of America is finally and fully open to all—not just some—Americans. The discretionary request proposes investments to help deliver on America’s shared commitment to

advancing equity across the Nation—creating an inclusive economy, expanding housing and reducing the racial wealth gap, committing to criminal justice reform, redressing longstanding injustice, and upholding the trust responsibility to tribal nations. In addition to the specific investments described above and below, the Administration would work with the Congress to identify additional ways to target Federal investments for communities experiencing deep and persistent poverty, consistent with the principles underlying the “10-20-30” plan.

Creating an Inclusive Economy and Expanding Opportunity

Advances Equity in Early Childhood and K-12 Education. Across the Nation, schools heavily populated with students of color receive, on average, dramatically less funding than schools heavily populated with white students. To help address these gaps, the discretionary request includes a historic \$20 billion increase for Title I to help schools offer new and enriching learning opportunities for students and additional support for teachers. The discretionary request also provides \$11.9 billion to Head Start to support high-quality early education and family engagement programs so that low-income children, who have typically demonstrated lower kindergarten achievement scores, enter school on equal footing with their higher-income peers.

Drives toward Equity in Higher Education. To help shrink racial gaps in higher education—which have worsened amidst the COVID-19 pandemic—the discretionary request takes a significant first step toward doubling the Pell Grant by proposing to increase the maximum grant by \$400. The discretionary request also increases institutional capacity and student supports at HBCUs, TCUs, MSIs, and low-resourced institutions, such as community colleges—providing additional help to ensure underserved students succeed in and graduate from college. In addition, the discretionary request provides a \$100 million, or roughly 50-percent, increase in funding for programs that aim to increase participation in science and engineering of individuals from racial and ethnic groups, who are traditionally underrepresented in these fields. This funding would support curriculum design, research on successful recruitment and retention methods, development of outreach or mentorship programs, fellowships, and building science, engineering research, and education capacity at HBCUs and other MSIs.

Expands Opportunities for Minority-Owned Businesses. To help address longstanding racial inequity and eliminate barriers for minority-owned firms, the discretionary request includes \$70 million, an increase of \$22 million, to fund investments in economic development grants and research to ensure policies effectively support the minority business community. In addition, the discretionary request provides \$330 million, an increase of 22.2 percent above the 2021 enacted level, to support expanding the role of Community Development Financial Institutions (CDFIs), which offer loans to start-ups and small businesses to promote the production of affordable housing and community revitalization projects. This investment builds on an unprecedented level of support for the CDFI industry in 2021, including more than \$3 billion in direct funding, \$9 billion for investments in CDFIs and Minority Depository Institutions, and provisions in the American Rescue Plan Act of 2021 encouraging CDFI participation in the \$10 billion State Small Business Credit Initiative.

Increases Rural Outreach and Connectivity. The discretionary request provides \$32 million for a renewed and expanded initiative, StrikeForce, to help people in high poverty

rural communities tap into Federal resources, and an increase of \$65 million over the 2021 enacted level, for the Rural e-Connectivity Program “Reconnect” for rural broadband.

Spurs Infrastructure Modernization and Rehabilitation in Marginalized Communities.

The discretionary request provides \$3.8 billion for Community Development Block Grants, which includes a targeted increase of \$295 million to incentivize communities to direct formula funds toward the modernization and rehabilitation of public infrastructure and facilities in historically underfunded and marginalized communities facing persistent poverty.

Supports Transportation Equity. The discretionary request includes significant funding for major discretionary competitive grant programs, including BUILD, transit Capital Investment Grants, and Port Infrastructure Development, and invests in rail as a down-payment to the President’s commitment to passenger rail. The discretionary request also proposes \$110 million for a new Thriving Communities initiative, which would foster transportation equity by providing capacity building grants to underserved communities. These programs would ensure that more communities have cleaner, robust, and affordable transportation options, including high quality transit, equitable transit-oriented development, and other enhancements to improve neighborhood quality of life and address climate change.

Expanding Housing Opportunity and Reducing the Racial Wealth Gap

Enhances Household Mobility and Neighborhood Choice. In addition to expanding the Housing Choice Voucher program to serve 200,000 more families, the discretionary request for the program includes funding for mobility-related supportive services to provide low-income families who live in racially and ethnically concentrated areas of poverty with greater options to move to higher-opportunity neighborhoods.

Increases the Supply of Affordable Housing. To address the critical shortage of affordable housing in communities throughout the Nation, the discretionary request provides a \$500 million increase to the HOME Investment Partnerships Program, for a total of \$1.9 billion, to construct and rehabilitate affordable rental housing and to support other housing-related needs. This is the highest funding level for HOME since 2009. In addition, the discretionary request provides \$180 million to support 2,000 units of new permanently affordable housing for the elderly and persons with disabilities, supporting the Administration’s priority to maximize independent living for people with disabilities.

Supports Access to Homeownership and Pandemic Relief. The discretionary request supports access to homeownership for underserved borrowers through the Federal Housing Administration’s (FHA) mortgage insurance programs. FHA is a crucial source of mortgage financing for first-time and minority homebuyers, who accounted for 83 percent and 37 percent, respectively, of FHA home purchase loans in 2020. In addition, through its expanded and streamlined loss mitigation program, FHA continues to provide urgent relief to homeowners suffering financially due to the COVID-19 pandemic.

Committing to Criminal Justice Reform

Reforms the Federal Criminal Justice System. The COVID-19 pandemic has underscored the urgent need to reduce prison populations and reform the Nation’s criminal justice system. The discretionary request supports key investments in First Step Act (FSA) implementation, advancing the provision of high-quality substance use disorder treatment, reentry services, and recidivism reduction programming. Building on the bipartisan FSA, the discretionary request also incorporates savings from prison population reduction measures that prioritize incarceration alternatives for low-risk offenders.

Invests in Community Policing, Police Reform, and Other Efforts to Address Systemic Inequities. The Administration will take bold action to root out systemic inequities in the Nation’s justice system. In addition to investing in programs that support community-oriented policing and practices, the discretionary request also proposes to expand grants that support efforts to reform State and local criminal justice systems, including funding to support juvenile justice programs, drug courts and alternative court programs, public defenders, and Second Chance Act programs.

Redressing Longstanding Injustice

Invests in Civil Rights Offices Across Government. The discretionary request supports significant budget increases for civil rights offices and activities across Federal agencies to ensure that the Nation’s laws are enforced fairly and equitably.

Promotes State and Local Efforts to Prevent and Redress Housing Discrimination. The discretionary request provides \$85 million in grants to support State and local fair housing enforcement organizations and to further education, outreach, and training on rights and responsibilities under Federal fair housing laws. The discretionary request also invests in HUD staff and operations capacity to deliver on the President’s housing priorities, including commitments outlined in the Presidential Memorandum on Redressing Our Nation’s and the Federal Government’s History of Discriminatory Housing Practices and Policies.

Addresses Racial Disparities in Healthcare. Building on efforts in the American Rescue Plan Act of 2021 to advance equity and reduce health disparities in all healthcare programs, the discretionary request includes additional funding to expand access to culturally competent care. The discretionary request also includes \$153 million for CDC’s Social Determinants of Health program to support States and Territories in improving health equity and data collection for racial and ethnic populations.

Reduces Maternal Mortality Rate and Ends Race-Based Disparities in Maternal Mortality. The United States has the highest maternal mortality rate among developed nations, with an unacceptably high mortality rate for Black and American Indian/Alaska Native women. To help end this high rate of maternal mortality and race-based disparities in outcomes among birthing people, the discretionary request includes more than \$200 million to reduce maternal mortality and morbidity rates nationwide, bolster Maternal Mortality Review Committees, expand the Rural Maternity and Obstetrics Management Strategies program, help cities place

early childhood development experts in pediatrician offices with a high percentage of Medicaid and Children’s Health Insurance Program patients, implement implicit bias training for healthcare providers, and create State pregnancy medical home programs.

Makes Major Investments in Environmental Justice. For decades, low-income and marginalized communities have been overburdened with air pollution and other environmental hazards. The discretionary request includes increased funding for EPA’s Brownfields program, which would enable States to clean up contaminated properties and assist them in turning idle properties into hubs for economic revitalization. The discretionary request provides \$400 million for HUD’s Lead Hazard and Healthy Homes grants, which enable State and local governments and nonprofits to reduce lead-based paint and other health hazards in the homes of low-income families with young children. The discretionary request also provides \$44 million to DOJ to bolster the Environmental and Natural Resources Division and to ensure environmental safety and improve confinement conditions at the Bureau of Prisons.

Upholding America’s Trust Responsibility to Tribal Nations

Promotes Health Equity for American Indians and Alaska Natives. To begin redressing long-standing, stark health inequities experienced by American Indians and Alaska Natives, the discretionary request proposes to dramatically increase funding for the Indian Health Service (IHS) by \$2.2 billion. In addition, to ensure a more predictable funding stream for IHS, the discretionary request for the first time includes an advance appropriation for IHS in 2023.

Invests in Affordable Housing in Tribal Communities. Native Americans are seven times more likely to live in overcrowded conditions and five times more likely to have plumbing, kitchen, or heating problems than all U.S. households. The discretionary request helps address the poor housing conditions in tribal areas by providing \$900 million to fund tribal efforts to expand affordable housing, improve housing conditions and infrastructure, and increase economic opportunities for low-income families.

Helps Tribal Nations Address the Climate Crisis. Tribal communities are particularly vulnerable to the impacts of climate change, which threatens their cultural and economic well-being. The discretionary request provides an increase of more than \$450 million to facilitate climate mitigation, resilience, adaptation, and environmental justice projects in Indian Country, including investment to begin the process of transitioning tribal colleges to renewable energy.

RESTORING AMERICA’S GLOBAL STANDING AND CONFRONTING 21ST CENTURY SECURITY CHALLENGES

From the pandemic to climate change, from the growing ambitions of China to the many global threats to democracy, successfully addressing global challenges will require working alongside and in partnership with other nations. After years of neglect, the discretionary request makes critical investments in diplomacy and development that would restore the health and morale of the Nation’s foreign policy institutions, as well as America’s relationships with key

partners and allies. Diplomacy would once again be a centerpiece of American foreign policy, and America would once again be a leader on the world stage.

Renews American Leadership and Mobilizes Global Action. The discretionary request proposes reinvesting in the Nation’s diplomatic corps and providing funding to support U.S. commitments to the World Health Organization, the United Nations (UN) Population Fund, and the UN High Commissioner for Human Rights, while continuing to press for needed reforms. The discretionary request also provides \$1 billion in foreign assistance to expand global health security activities, including to establish Global Health Security Agenda capacity-building programs in additional nations and increase investments in cross-cutting research and viral discovery programs to detect and stamp out future infectious disease outbreaks. These funds would also support a new health security financing mechanism, developed alongside U.S. partners and allies, to ensure global readiness to respond to the next outbreak. In addition, recognizing that no single nation can meet the challenge of climate change alone, the discretionary request provides \$2.5 billion for international climate programs to help rally the world against this urgent threat, restore U.S. leadership, and catalyze new climate pledges.

Counters 21st Century Challenges and Threats. The discretionary request prioritizes the need to counter the threat from China while also deterring destabilizing behavior by Russia. Leveraging the Pacific Deterrence Initiative and working together with allies and partners in the Indo-Pacific region and the North Atlantic Treaty Organization, the Department of Defense would ensure that the United States builds the concepts, capabilities, and posture necessary to meet these challenges. Also, to ensure the United States plays a lead role in defending democracy, freedom, and the rule of law, the discretionary request includes a significant increase in resources to strengthen and defend democracies throughout the world, advance human rights, fight corruption, and counter authoritarianism. In addition, to support agencies as they modernize, strengthen, and secure antiquated information systems and bolster Federal cybersecurity, the discretionary request recommends \$500 million for the Technology Modernization Fund, an additional \$110 million for the Cybersecurity and Infrastructure Security Agency, and \$750 million as a reserve for Federal agency information technology enhancements.

Addresses Immigration and Asylum. The discretionary request proposes the resources necessary to fulfill the President’s commitment to rebuild the Nation’s badly damaged refugee admissions program and support up to 125,000 admissions in 2022. In addition, the discretionary request provides over \$10 billion in humanitarian assistance to support vulnerable people abroad, including refugees and conflict victims. The discretionary request also includes resources to address the naturalization and asylum backlogs. The discretionary request would also revitalize U.S. leadership in Central America as part of a comprehensive strategy to address the root causes of irregular migration from Central America to the United States, providing \$861 million in assistance to the region.

Upholds the Nation’s Sacred Obligation to America’s Veterans. Building on significant investments included in the American Rescue Plan Act of 2021, the discretionary request proposes \$97.5 billion to improve access to the Department of Veterans Affairs (VA) healthcare, including increases in funding for women’s health, mental health, suicide prevention, and veterans’ homeless programs. The discretionary request also proposes \$882 million for medical

and prosthetic research—including the largest increase in recent history—to advance VA’s understanding of traumatic brain injury, the effects of toxic exposure on long-term health outcomes, and the needs of disabled veterans, as well as \$394 million to ensure veterans and their families have access to world-class memorial benefits.